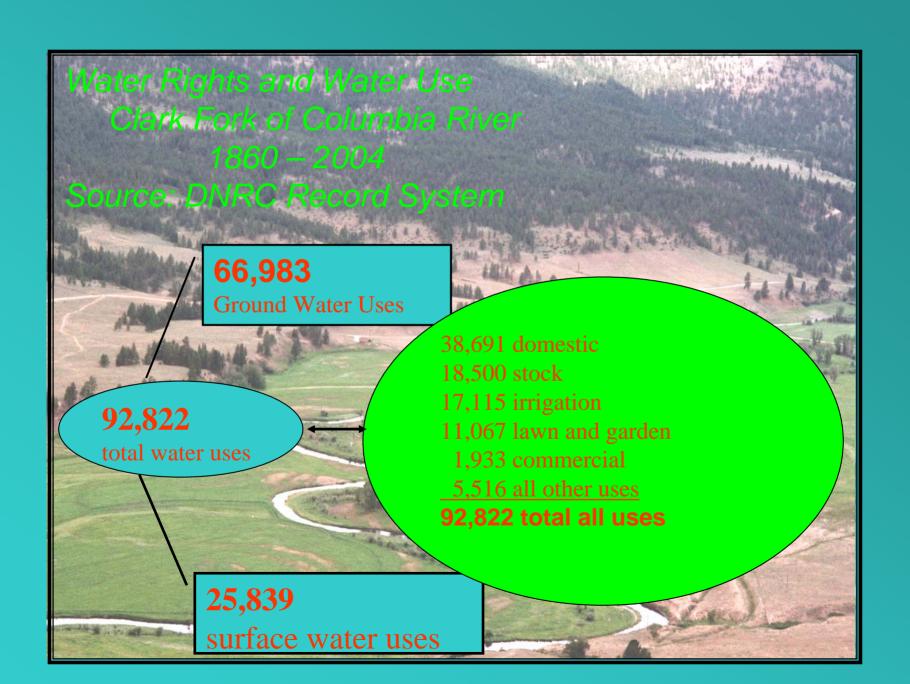
Water for Future Projects"

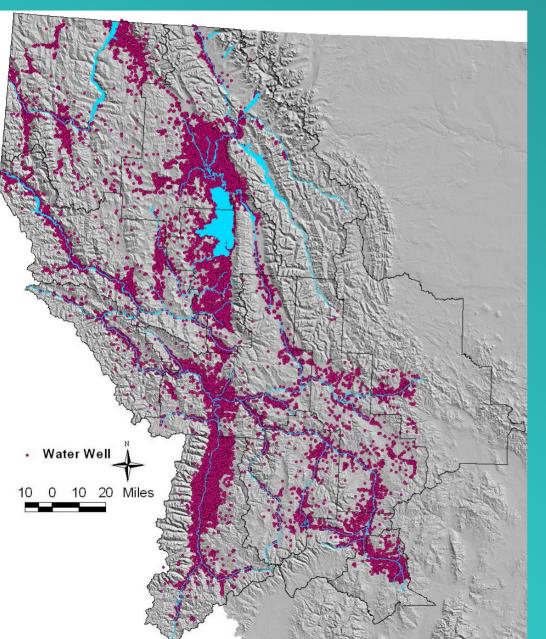


Are New Approaches Needed?
Mike McLane

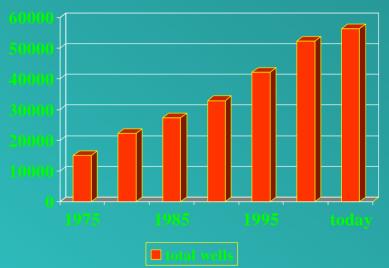




Wells in the Clark Fork Basin

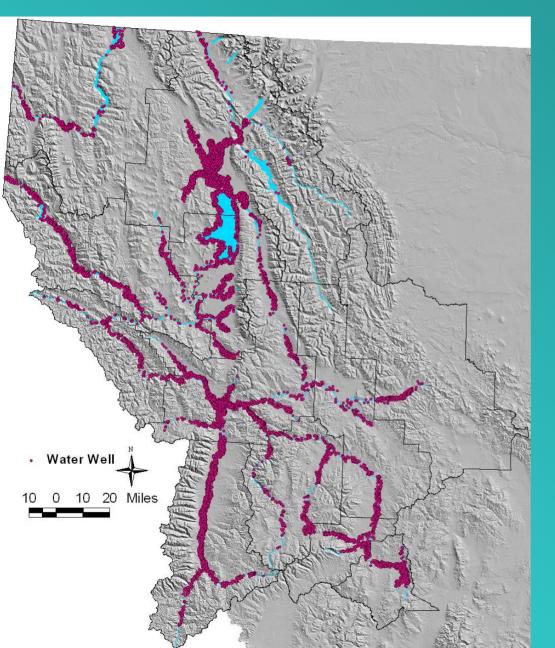


There are records of More than 58,000 wells



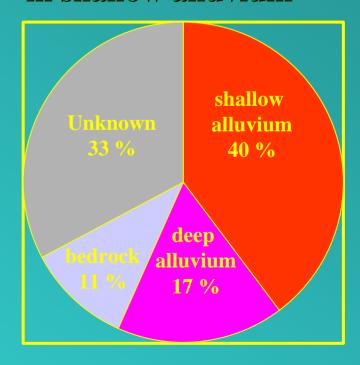
40 % of all wells have been installed since 1990

Wells Within 1 Mile of Major Streams



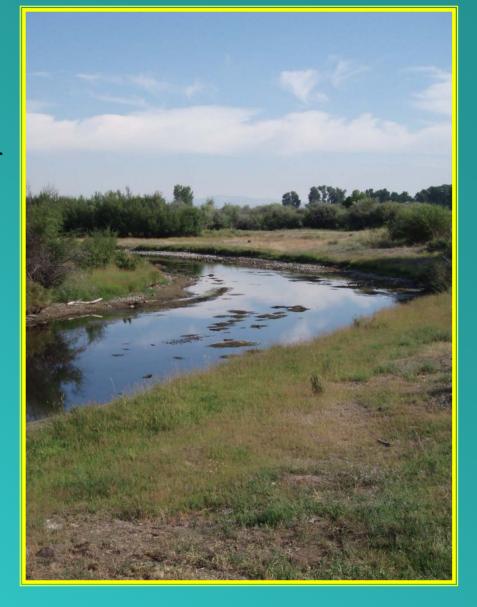
52% of the wells (30,400) are located within 1 mile of streams

...most, but not all, are in shallow alluvium



Over - Appropriation

Clark Fork River at 4 cfs

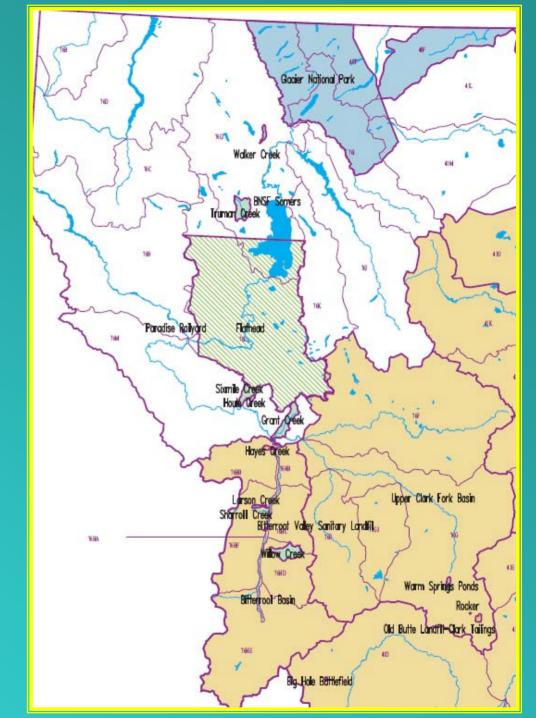


Minimum flow for aquatic life support = 40 cfs

Basin Closures:

via

- a) Legislation,
- b) Adm. Rule,
- c) Compacts,
- d) Judicial Decision



Past Policy Actions

- I. New Appropriations Program:
 - 1. Permitting (new water rights)

2. Water Reservations
(future water & instream water)

3. Changes
(Modifying Existing Water rights)

II. Facilitating Change of Use

- a. Market exchanges between pvt parties including
- b. Temporary Change of Use provisions (85-2-407 MCA)
- c. Salvage Statute (85-2-419 MCA)
- d. Instream flow water leasing (85-2-408 and 436)



Past Policy Actions - cont.

III. Water Marketing

Water Leasing Program (85-2-141 MCA)

- State run program
- DNRC is to hold and acquire water
- Water from new or existing storage reservoirs
- Specific reference to federal reservoirs
- Limited to 50,000 acre feet
- State remarkets water via leases
- State's response to export of water and to future water supplies not yet implemented

Past Policy Actions - cont.

IV Water Storage: Dams

- Developed state policy. (85-1-701 MCA)
- Priority to enhancements @ existing sites,
- Water Storage Account developed (get \$ figure),
- Increased access to grant funds, (85-1-602 (2) MCA)
- Constraints to new storage:,
 - High costs,
 - Are the best sites used (?),
 - Environmental Impacts,
 - Long term mitigation, &
 - Ability & Willingness to pay



Past Policy Actions - cont.

If existing water supplies won't support new basin water uses,





Are there New Alternatives And Opportunities?

1. Water Conservation

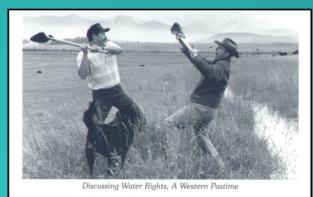
- When does return flow end and waste begin?
- Should state develop efficiency standards for water rights?
- Are economic conditions / scarcity the most effective stimulant?
- Should governments provide incentives?
- Should "waste of water" be defined statutorily?

2. Increased Administration

Water Commissioners:

(Basin wide, Sub-basins, Stream reach)

- After Adjudication Water Rights Will Be Decreed
- Who has
 - · the right to use,
 - how much water, over what period,
 - where, and for what purpose will be documented.
 - All water rights will be administrable.



3. How About Existing Storage?



Reallocation to new uses?

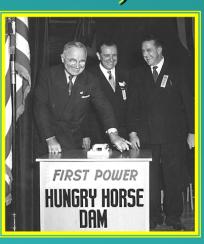
House Joint Resolution 3

(2005 session)

Funding to DNRC for BOR analysis

(2007 session)

- Realities
 - Existing uses
 - (Power, flood control, fish mitigation)
 - Challenges
 - Prevent conflicts with existing use & mitigation activities,
 - \$ for investigation & analysis, and
 - Marketing / contracting options.



4. Active Water Leasing Program

- Should the "state" lease water as an alternative?
- Requires acquisition of water.
 - Stored &
 - Natural Flows?
- Lease would be
 - based on "real", "wet", & "secure" water rights,
 - set for adequate time to capture values,
 - charges cover costs of acquisition & mgmt.
 - easily renewed or reallocated.

5. Substitute Water Supply Plans

- 1. Most new uses = domestic and urban demands
- 2. Do NOT adapt well to prior appropriation.
- 3. Need a mechanism to address times of shortage.
- Substitute plan allows "out of priority use"
 - Depletions by junior use trigger plan implementation
 - In times of shortage, the Plan finds replacement water to mitigate water consumed by the junior use, and
 - Replacement is to occur in such a manner as to make the senior user whole.

a.k.a. Augmentation or Mitigation

6. "Changes of Use" (Policy questions)



Redefine a "Change" to include or allow:

- 1. Altering the Period of Diversion / Use
- 2. Method of Application Review (conversions from flood to sprinkler review to assess third party affects)
- 3. Allow Inefficiencies of flood irrigation to become a recognized use i.e. "ground water storage" or "augmentation".

7. New Storage:

Ground Water Recharge



Ground Water

- "non-structural storage"
- Technical Management Issues
- Statutory Authorizations and Protection.
- Water Quality Concerns
- Geotechnical concerns

8. Water Banking



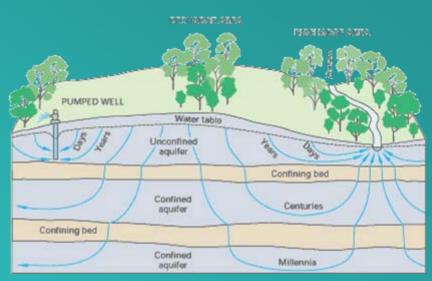
- 1. Facilitate the transactions of water exchanges.
- 2. Manage both the acquisition and marketing of water.
 - Acquire rights and lease
 - Acquire contracts from storage and "remarket"
 - Create new storage and market
 - Markets "augmentation or mitigation" credits
- 3. Who? (DNRC, a new entity, use Conservancy Districts)

9. Ground & Surface Water:

Benefits:

- 1. Increased flexibility
- 2. Refection of natural systems
- 3. Reduces future risks

A single resource



- What are our challenges?
 - May need additional system characterization.
 - Need development of quantifiable basin models.
 - Need enhanced monitoring systems.
 - Outreach and education!
 - Undoubtedly will result in legislation or litigation.

Today is an Opportunity

We can choose.

Actions will define our future

What do we want?

